

**3 PAGES**

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## UNITED STATES BANKRUPTCY COURT

## EASTERN DISTRICT OF CALIFORNIA

## SACRAMENTO DIVISION

In re:

California Independent Petroleum  
Association,

Debtor.

Case No.: 21-23169-B-11

Chapter 11

DCN: SK-17

Date: May 31, 2022

Time: 2:00 p.m.

Ctrm.: 32, Dept. B

501 I Street, 6th Floor  
Sacramento, CA 95814

**NONPROFIT CREDITORS' RESERVATION OF RIGHTS AS TO FIRST INTERIM FEE  
APPLICATION OF SKLAR KIRSH, LLP, DEBTOR'S GENERAL BANKRUPTCY  
COUNSEL, FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD SEPTEMBER 6, 2021 THROUGH JANUARY 31, 2022**

Creditors Youth for Environmental Justice, South Central Youth Leadership Coalition, and  
Center for Biological Diversity, Inc. (collectively, "Nonprofit Creditors") hereby file their  
reservation of rights to the First Interim Fee Application of Sklar Kirsh, LLP, Debtor's General

1 Bankruptcy Counsel, for Compensation and Reimbursement of Expenses for the Period September  
2 6, 2021 through January 31, 2022 (“Sklar Kirsh Fee App”) based upon the following:

3 1. The Nonprofit Creditors and the City of Los Angeles, on the one hand, and the  
4 Debtor on the other, have been negotiating in good faith over the treatment of general unsecured  
5 creditors in the Debtor’s Plan of Reorganization (Subchapter V) filed at Docket No. 182 (the  
6 “Plan”).

7 2. The parties believe they have reached agreement regarding the chapter 11 plan  
8 treatment for general unsecured creditors, subject to review and approval of revisions to the Plan  
9 to be made by the Debtor incorporating the agreement and confirmation of the plan as modified.

10 3. The Debtor filed several first interim fee applications, including the Sklar Kirsh Fee  
11 App, seeking approval on an interim basis of over \$530,000 in professional fees incurred over five  
12 months. *See*, Dkt. Nos. 196, 200, 205, and 210.

13 4. Given the current status of the negotiations and relying on the good faith of the  
14 parties to reach and complete an agreement regarding the Plan, the Nonprofit Creditors reserve the  
15 right to oppose the Sklar Kirsh Fee App at the final approval stage in the event an agreement  
16 between the parties is not reached, finalized, approved and implemented. The Nonprofit Creditors  
17 have made the decision not to presently object to the interim fee requests, and to reserve objections  
18 for the final fee hearings or another later appropriate time, because given the status of negotiations,  
19 such a course is in the interests of efficiency and something that would preserve estate assets. *See*  
20 *In re Four Star Terminals, Inc.*, 42 B.R. 419, 439 (Bankr. Dist. of Alaska 1984) (finding that  
21 “[i]nterim fee awards may be adjusted by the court in making a final award.”); *see also In re*  
22 *Callister*, 673 F.2d 305, 306-307 (10th Cir. 1982) (“Interim allowances are always subject to the  
23 court’s re-examination and adjustment during the course of the case, and all expenses of

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1 administration must receive the court's final scrutiny and approval." citing 2 *Collier on*  
2 *Bankruptcy* P 331.03 (15th ed. 1981)).

3 Dated: May 10, 2022

4 FELDERSTEIN FITZGERALD  
5 WILLOUGHBY PASCUZZI & RIOS LLP

6 PEIFFER WOLF CARR KANE & CONWAY, LLP

7 By: /s/ Paul J. Pascuzzi

8 Paul J. Pascuzzi

9 Attorneys for Center for Biological Diversity, Inc.,  
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